(a) whether it is a fact that the Indian Oil Corporation Ltd. (IOCL) has stopped giving new LPG connections due to cash crunch to procure new cylinders and equipments;

(b) if so, the details thereof and Government's reaction thereto;

(c) whether it is also a fact that Government owed oil companies crores of rupees on account of unpaid subsidy bills; and

(d) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) No, Sir. Indian Oil Corporation Limited (IOC) has not stopped the release of new LPG connections. New LPG connections are made available as soon as possible and in any case, within a period of sixty days. At present, new LPG connections are available for genuine domestic customers. As on 01.12.2008, Public Sector Oil Marketing Companies (OMCs) are serving 1042.2 lakh LPG customers in the country, covering 53.8% of households as per 2001 Census, Out of which IOC is serving 518.7 lakh LPG customers. OMCs have also reported that they have released 31.28 lakh new LPG connections in the country during the period April-November, 2008, out of which IOC has released 15.42 lakh LPG connections.

(c) and (d) Government had decided to issue bonds worth Rs. 35,289.50 crores to OMCs in respect of expected losses/under-realization for marketing sensitive petroleum products for the financial year 2007-08.

Further, Government decided to issue bonds worth Rs. 44,967 crores to OMCs in respect of under-realisation on marketing sensitive petroleum products for the first half of the year 2008-09.

Out of the total outstanding Bonds for Rs. 59,923.17 crores (including Bonds of Rs. 14,956.17 crores for the 4th quarter of 2007-08), Bonds for Rs. 22,000 crores were issued to the OMCs in November, 2008.

In addition to above, Government provides a fixed rate of subsidy from the Budget on domestic LPG and PDS kerosene. A provision for Rs. 2700 crore towards this subsidy has been made in the Budget for 2008-09.

Refining cost of oil

2443. SHRI MOINUL HASSAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether as per his Ministry's statement to recover Rs. 2,45,000 crore, petrol has to be priced at Rs. 71 per litre *i.e.* 256 dollars per barrel;

(b) wherefrom this figure was discovered that for refining one barrel of crude oil, which is costing 130 dollars, another 126 (256-130) dollar would be required for refining the same in our own refineries and marketing the same at the retail; and

(c) what is the data furnished by the Ministry on the refining cost in Oil Marketing Companies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) At the international oil prices and the retail prices prevailing before 5th June, 2008 when the retail prices of Petrol, Diesel and Domestic LPG were revised upwards, it was estimated that the Public Sector Oil Marketing Companies (OMCs) would suffer under-recoveries during 2008-09 to the tune of around Rs. 2.45 Lakh crore, as per the details given below:-

(Rs. Crore)

Product	Under-recoveries
Petrol	25,000
Diesel	1,55,264
PDS Kerosene	39,026
Domestic LPG	26,015
TOTAL	2,45,305

The above under-recoveries had been estimated, based on the approved pricing methodology for Petrol, Diesel, Domestic LPG and PDS Kerosene.

The actual under-recoveries during the first half of 2008-09 are as under:

Product-wise under-recoveries (Rs. crore)

Under-Recovery	April-September, 2008
Petrol	7,886
Diesel	55,265
PDS Kerosene	18,625
Domestic LPG	11,077
TOTAL	92,853

(c) The details of refining cost of the refineries of the OMCs are as follows:

(Rs./MT)

	2007-08	April-September, 2008
IOC Refineries	738	925
BPC-Kochi	524	489
BPC-Mumbai	517	530
HPC-Vizag	440	470
HPC-Mumbai	625	1,102